

# SENATE BILL REPORT

## SB 5713

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As Reported by Senate Committee On:  
Higher Education, February 21, 2013

**Title:** An act relating to self-supporting, fee-based programs at four-year institutions of higher education.

**Brief Description:** Concerning self-supporting, fee-based programs at four-year institutions of higher education.

**Sponsors:** Senators Kohl-Welles, Bailey, Ranker, Hasegawa, Frockt and Murray.

**Brief History:**

**Committee Activity:** Higher Education: 2/19/13, 2/21/13 [DPS].

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** That Substitute Senate Bill No. 5713 be substituted therefor, and the substitute bill do pass.

Signed by Senators Bailey, Chair; Becker, Vice Chair; Kohl-Welles, Ranking Member; Baumgartner, Frockt, McAuliffe and Tom.

**Staff:** Eric Wolf (786-7405)

**Background:** Public baccalaureate institutions in Washington offer a variety of fee-based programs that are self supporting and not funded through state funding. These programs are primarily aimed at students who would benefit from alternative delivery options such as evenings and weekends, and via distance learning. Self-supporting, fee-based programs range from the certificate level to doctorate-level programs, and are offered in a variety of disciplines.

At the University of Washington (UW), self-supporting programs are managed by the Educational Outreach program. For the 2011-2012 academic year, UW's provost permitted certain degree programs to be created or transferred to the Educational Outreach program, only if they: (1) were offered in an alternative format from an existing campus-based, daytime, full-time degree program; (2) served primarily non-traditionally aged students in undergraduate programs, professionals in master's level programs, part-time students, or international students; or (3) were new interdisciplinary programs that did not align well with exiting academic units. In 2012, UW placed a moratorium on transferring state-supported

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programs to fee-based, self-supporting programs. That moratorium is in place until July 1, 2015.

**Summary of Bill (Recommended Substitute):** When a decision is being considered to change an existing degree program that is supported by state funding to self supporting and fee based, specific higher education institutions must:

- notify enrolled undergraduate or graduate student government associations at least six months before implementation with an estimate of tuition and fees;
- publically notify prospective students, including notification in admissions offers with an estimate of tuition and fees;
- allow students currently enrolled in the program to continue in the state-supported program structure for a consecutive amount of time no greater than four years.

Specific higher education institutions must each establish or designate a committee to create criteria upon which to evaluate, the proposed shift of a degree program from a state supported program to a self-supporting funding basis. Where possible, an existing committee must be designated in lieu of establishing a new committee. When establishing evaluation criteria, the committee must consider a number of specified criteria.

The committee that creates the criteria for moving a degree from state supported to self supporting and fee based, may also establish a process to periodically evaluate programs that have shifted from a state-supported program to a fee-based funding model for alignment with the criteria established.

**EFFECT OF CHANGES MADE BY HIGHER EDUCATION COMMITTEE (Recommended Substitute):** Requires state universities, regional universities, and The Evergreen State College to include notification in admissions offers with an estimate of tuition and fees when a decision is being considered to change an existing state-funded degree program to a self-supporting program. Requires the allowance of students currently enrolled in such programs to continue in the state-supported program structure but for no greater than four consecutive years. Requires where possible, an existing budget or advisory committee to be used in lieu of establishing a new committee. Changes the criteria and process the committee uses.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: In the past few years, several programs, including nursing and librarianship, have seen their program tuition cost increased by 50-100 percent. Some programs do not grandfather students in. Sometimes the notice of the tuition increases are not given far enough in advance. This problem has come from state funding decreasing for higher education. Higher education funding needs to be restored. Tuition rates can swing wildly. Some students need to take out high-interest, unsubsidized

loans. This bill would protect students. Some of the hurt students are the future public servants. Faculty support this bill. The students expect to pay one price and then get another price. Why should these public schools compete with private schools' prices? These tuition costs will need to be paid off over a lifetime.

CON: Self-supported, fee-based programs are created when there is not enough state funding and there is student and employer demand. We need this flexibility and without it some programs may not survive. Self support helps with programs that are off campus at Western Washington University (WWU). These programs help communities in need. We do market research and look at how much students will earn when they get out. WWU looks carefully at these programs and works with students and therefore thinks the committee in the bill is redundant. Students already in the programs are grandfathered in. UW has 62 self-sustaining programs, many are offered online. The students are given a month of notice. We do not take program transitions lightly. We are concerned with the criteria listed in the bill because it predetermines the outcome. We want the criteria to be fair and objective. We want to reduce costs around giving notice to students.

**Persons Testifying:** PRO: Melanie Mayock, Patricia Atwater, Michelle Dillon, UW Graduate and Professional Student Senate.

CON: Chris Mulick, WA State University; Sherry Burkey, WWU; Margaret Shepherd, UW.